

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)	
SOUTHEAST DAVIESS COUNTY WATER)	CASE NO. 92-191
DISTRICT)	

O R D E R

On May 1, 1992, Southeast Daviess County Water District ("Southeast Daviess") filed its revised tariff sheets with the Public Service Commission ("Commission") for the purpose of adjusting its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Southeast Daviess purchases its water from the Owensboro Municipal Utilities ("Owensboro").

2. Effective May 1, 1992, Owensboro increased its rate for water sold to Southeast Daviess from \$0.751 to \$1.051 per 1,000 gallons.

3. Southeast Daviess adjusted the rates to its customers effective May 1, 1992. Based on an average monthly usage of 5,000 gallons, the average bill of Southeast Daviess customers would increase \$1.70 from \$10.47 to \$12.19, or 15.89 percent.

4. During the 12 months ending April 30, 1992, Southeast Daviess purchased 541,475,250 gallons of water from Owensboro.

5. During the same 12 months, Southeast Daviess sold 471,132,560 gallons of water.

6. The increase in purchased water costs is \$162,443 resulting in a purchased water adjustment of 34 cents per 1,000 gallons as shown in Appendix B.

7. Southeast Daviess' calculations and rates are incorrect and should be denied.

8. The purchased water adjustment of 34 cents per 1,000 gallons and the rates in Appendix A are fair, just, and reasonable, and should be approved.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Southeast Daviess are denied.

2. The purchased water adjustment of 34 cents per 1,000 gallons of water as shown in Appendix B and the rates in Appendix A, attached hereto and incorporated herein, are approved for services rendered on and after May 1, 1992.

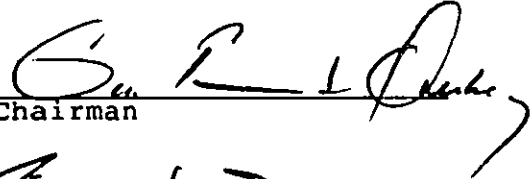
3. Within 30 days of the date of this Order, Southeast Daviess shall file revised tariff sheets setting out the rates approved herein.

4. Within 30 days of the date of this Order, Southeast Daviess shall file a copy of the notice to its customers and verification that such notice has been given.

5. Within 60 days of the date of this Order, Southeast Daviess shall refund, by check or credit to customer bills, any amounts which have been over-collected due to the error in calculating the purchased water adjustment and rates. Within 10 days thereafter, Southeast Daviess shall file a report with the Commission showing the date and amount of refunds and the name of the persons to whom refunds have been made.

Done at Frankfort, Kentucky, this 21st day of May, 1992.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 92-191 DATED May 21, 1992

The following rates and charges are prescribed for the customers in the area served by Southeast Daviess County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

<u>Usage Blocks</u>	<u>Monthly Rates</u>
Non-Users	\$5.34
First 2,000 gallons	6.68 Minimum Bill
Next 8,000 gallons	1.83 per 1,000 gallons
Next 10,000 gallons	1.72 per 1,000 gallons
Next 20,000 gallons	1.61 per 1,000 gallons
Over 40,000 gallons	1.52 per 1,000 gallons
To Other Water Districts	1.27 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 92-191 DATED May 21, 1992

CALCULATION OF PURCHASED WATER ADJUSTMENT

Gallons Purchased:	Meter No. 1	468,395,030
	Meter No. 2	64,189,030
	Meter No. 3	8,891,190
Total Gallons Purchased		<u>541,475,250</u>
Gallons Sold:		471,132,560

Cost at Changed Rate: 541,475.250 m. gals. x \$1.051 = \$569,090.49

Less

Cost at Base Rate: 541,475.250 m. gals. x \$0.751 = \$406,647.91

Increase

\$162,442.58

\$162,442.58 + 471,132.560 m. gals. sold = \$0.3448 or
\$.34/1,000 gallons